

# Long Term Disability (LTD)

The GIC's Long Term Disability (LTD) insurance is administered by The Hartford. LTD is an income replacement program that protects you in the event you become disabled and are unable to perform the material and substantial duties of your job. **There is no increase in monthly premiums for Fiscal Year 2007.** See page 7 for monthly premium details.

According to The Society of Actuaries, one in seven people will become disabled for at least five years before age 65. How would you pay your bills if you couldn't work? Like most people, if you depend on your paycheck, you should consider LTD coverage.

If you become ill or injured and are unable to work for 90 consecutive days, this program will provide you with:

- A tax-free benefit of up to 50% of your gross monthly salary
- A benefit for mental health disabilities and for partial disabilities
- 24-hour, 365-days-a-year unlimited telephonic legal and financial counseling for families affected by disability

Benefits are reduced by other income sources, such as Social Security disability, Workers' Compensation, accumulated sick leave and retirement benefits, but the minimum benefit will be \$100 or 10% of your gross monthly benefit amount, whichever is greater.

## Eligibility

All active full-time and half-time employees who work at least 18.75 hours in a 37.5-hour work week or 20 hours in a 40-hour work week are eligible for LTD benefits. New employees may enroll in LTD without providing evidence of good health within 31 days of hire. All eligible employees can apply for LTD coverage during annual enrollment, or any time during the year. You must provide proof of good health for The Hartford's approval to enter the plan.

### Long Term Disability (LTD) Questions?

Contact The Hartford

1.866.847.6343

[www.maemployeesltd.com](http://www.maemployeesltd.com)



# Life Insurance

The Group Insurance Commission has selected The Hartford as its new life insurance carrier effective July 1, 2006. Life insurance helps provide for your family's economic well-being in the event of your death. This benefit is paid to your designated beneficiary(ies). **Life (Basic and Optional) and Accidental Death and Dismemberment benefits will be enhanced to cover acts of war and terror effective July 1, 2006.**

## Basic Life Insurance

The Commonwealth offers \$5,000 of Basic Life Insurance.

## Optional Life Insurance

**Optional Life Insurance rates will decrease effective July 1, 2006. See page 7 for details.**

Optional Life Insurance is available to provide economic support for your family. This term insurance allows you to increase your coverage up to eight times your annual salary. Term insurance covers you and pays your designated beneficiary in the event of your death or certain other catastrophic events. It is not an investment policy; it has no cash value. This is an employee-pay-all benefit.

### How Much Do You Need?

To estimate how much Optional Life Insurance you might need, or whether this coverage is right for you, consider such financial factors as:

- Your family's yearly expenses,
- Future expenses, such as college tuition or other expenses unique to your family,
- Your family's income from savings, other insurance, other sources, and
- The life insurance cost and benefits for your age bracket. For instance, for 35-year-olds with young families and mortgages, financial advisors might recommend the coverage. But for 65-year-olds who have paid off their mortgage and have no dependent expenses, financial advisors might not recommend electing or continuing Optional Life Insurance, because premiums increase significantly as you age.

### Preparing for Retirement

Before retirement, you should review the amount of your Optional Life Insurance coverage and its cost to determine whether it will make economic sense for you to maintain it when you retire. Talk with a tax advisor about other programs that might be more beneficial at retirement. Optional Life Insurance rates

significantly increase when you retire and continue to increase based on your age. *See the Retiree/Survivor Benefit Decision Guide and our website for these rates.*

## Optional Life Insurance Enrollment

You must be enrolled in Basic Life Insurance in order to apply for Optional Life Insurance.

### New Employees

As a new state employee, you may enroll in Optional Life Insurance for a coverage amount of up to eight times your salary without the need for any medical review.

### Choosing Coverage for the First Time or Increasing Coverage

Effective July 1, 2006, active employees may apply for the first time or apply to increase their coverage at any time during the year without a one-year waiting period. You must complete a medical form for approval by The Hartford. The GIC will determine the effective date if The Hartford approves your application.

### Optional Life Insurance Non-Smoker Benefit

At initial enrollment or during annual enrollment, anyone who has been tobacco-free (has not smoked cigarettes, cigars or pipes nor used snuff or chewing tobacco) for at least the past 12 months is eligible for reduced Optional Life Insurance rates. You will be required to periodically re-certify your non-smoking status in order to qualify for the lower rates. Changes in smoking status made during annual enrollment will become effective July 1, 2006.

## Accelerated Life Benefit

This benefit provision allows you to elect an advance payment of up to 75% of your life insurance death benefits if you have been diagnosed with a terminal illness. Insured employees are eligible for this benefit if the attending physician provides satisfactory evidence that you have a life expectancy of 12 months or less. You must continue to pay the required monthly premium. The remaining balance is paid to your beneficiary at death.

### Life Insurance Questions?

Contact the GIC

1.617.727.2310 ext. 1

[www.mass.gov/gic](http://www.mass.gov/gic)

## Life, AD&D, Beneficiary Assist and EAP

### Portability and Conversion

Active employees who leave employment or become ineligible due to a reduction in hours may apply for term life coverage similar to their group term life insurance. This coverage provides more favorable rates than conversion coverage.

Alternately, you may convert your coverage to a non-group policy.

#### ***Portability and Conversion Questions?***

**Contact The Hartford**

**1.877.320.0484**

### Accidental Death and Dismemberment Benefits

In the event you are injured or die as a result of an accident while insured for life insurance, there are benefits for the following losses:

- Life
- Hands, Feet, Eyes
- Speech and/or Hearing
- Thumb and Index Finger of the Same Hand
- Quadriplegia
- Paraplegia
- Hemiplegia
- Coma
- Brain Damage
- Air Bag and Seat Belt benefits for loss of life in a car accident

#### ***AD&D Questions?***

**Contact the GIC**

**1.617.727.2310 ext. 1**

**[www.mass.gov/gic](http://www.mass.gov/gic)**

### Beneficiary Assist Benefit

The LifeBalance® program will be replaced by The Hartford's Beneficiary Assist program effective July 1, 2006. This program helps GIC enrollees cope with the emotional, financial and legal issues that can arise after the loss of a family member. The program provides GIC enrollees with unlimited telephone access and up to five face-to-face sessions with grief, legal, and financial counselors after the death of a family member.

#### ***Beneficiary Assist Questions?***

**Contact The Hartford**

**1.800.411.7239**

**[www.thehartfordatwork.com](http://www.thehartfordatwork.com)**

## Employee Assistance Program (EAP) for State Agencies

The GIC offers Employee Assistance Program (EAP) benefits as a resource to all agencies. United Behavioral Health, the mental health and substance abuse carrier for the Commonwealth Indemnity plans and Navigator by Tufts Health Plan, provides these services. All state agencies can access critical incident debriefing services at no cost. Managers and supervisors can also receive confidential supervisory training, resource recommendations, and customized seminars for dealing with work place issues such as stress management, low morale, disruptive workplace behavior, and substance abuse. Employees can access individual counseling through their benefit plan.

#### ***EAP Questions?***

**Contact United Behavioral Health**

**1.888.610.9039**

**[www.liveandworkwell.com](http://www.liveandworkwell.com)**  
(access code: 10910)

# Buy-Out and Pre-Tax Premium Deductions

## Health Insurance Buy-Out Option

If you were insured with the GIC on January 1, 2006 or before, and continue your coverage through June 30, 2006, you may buy out your health plan coverage during annual enrollment. You must have other non-state health insurance coverage that is comparable to the health insurance you now receive through the Group Insurance Commission.

Under the buy-out plan, eligible employees receive 25% of the full-cost monthly premium in lieu of health insurance benefits for one 12-month period. The amount of payment depends on your health plan and coverage.

### **For example:**

Employee with Commonwealth Indemnity Plan  
Basic family coverage:

Full cost premium on July 1, 2006: \$1,487.01

Monthly 12-month benefit = 25% of this premium

Employee receives 12 monthly checks of \$371.75  
(before federal and state tax deduction)

## Pre-Tax Premium Deductions

The Commonwealth deducts the employee's share of basic life and health insurance premiums on a pre-tax basis, unless a new employee opts out of this option. By deducting on a pre-tax basis, the net result is a slight increase in your paycheck. During annual enrollment, or when you have a "qualifying event" as outlined on the pre-tax form, you have the opportunity to change the tax status of your premiums.

- If your deductions are now taken on a pre-tax basis, you may elect to have them taxed, effective July 1, 2006.
- If you previously chose not to take the pre-tax option, you may switch to a pre-tax basis, effective July 1, 2006.

### **Pre-Tax Premium Deduction Questions?**

**Contact Your Payroll Department**

### **Buy-Out Questions?**

**Contact the GIC**  
**617.727.2310 ext. 1**  
**[www.mass.gov/gic](http://www.mass.gov/gic)**





## Health Care Spending Account (HCSA)

Through the GIC's Health Care Spending Account (HCSA), administered by Sentinel Benefits, active employees can pay for out-of-pocket health care expenses on a pre-tax basis, reducing participants' federal and state income taxes.

Examples of eligible expenses include:

- Physician office and prescription drug co-payments
- Medical deductibles and coinsurance
- Eyeglasses and contact lenses not covered by your health or vision plan
- Orthodontia and dental benefits not covered by your dental or health plan
- Most over-the-counter drugs

For calendar year 2006, participants can contribute \$500 to \$2,500 annually through payroll deduction on a pre-tax basis.

### HCSA Eligibility

All active state employees who are eligible for health benefits with the GIC are eligible for HCSA. Employees must work at least 18.75 hours in a 37.5-hour work week or 20 hours in a 40-hour work week.

## Dependent Care Assistance Program (DCAP)

The Dependent Care Assistance Program (DCAP), administered by Sentinel Benefits, allows employees to pay for certain dependent care expenses with pre-tax dollars. Participating in DCAP can reduce your federal and state income taxes. Through DCAP, participants can pay on a pre-tax basis for qualified dependent care expenses, such as child and elder day care, after school programs, and day camp. The program allows a participant to contribute up to \$5,000 per family annually on a pre-tax basis as a payroll deduction.

### DCAP Eligibility

Active state employees who work half-time or more and have employment-related expenses for a dependent child under the age of 13 and/or a disabled adult dependent are eligible for DCAP.

## HCSA & DCAP

As you incur health care and dependent care expenses, submit a claim form and receipt to Sentinel Benefits. They will deposit the reimbursement to your bank. Alternately, you may obtain a SmartFlex debit card, which provides immediate and convenient access to your account. For calendar year 2006, the monthly administrative fee for HCSA alone, DCAP alone, or HCSA and DCAP combined is \$3.95 on a pre-tax basis. There is a minimal SmartFlex debit card annual fee.

## HCSA & DCAP Enrollment

### New Employees

New employees may enroll for partial year benefits. For HCSA, new hire benefits begin after the same waiting period as other GIC benefits. For DCAP, coverage begins on the first date of employment.

### Open Enrollment and Enrollment During the Year

The HCSA and DCAP plan year is January through December. *Open enrollment for these programs is in the fall* for the following calendar year. You must re-enroll each year. Employees that have a "qualified" family status change during the plan year, as outlined on the enrollment and change form, may also enroll.

**In the fall of 2006, there may be a new administrator for these plans. See the GIC's website for up-to-date HCSA and DCAP program details during the Fall 2006 Open Enrollment period.**

*It is important to estimate your expenses carefully, as the Internal Revenue Service requires that any unused funds in a participant's account at plan year-end be forfeited.*

### HCSA and DCAP Questions?

*Including eligible expenses*

**Contact Sentinel Benefits**

**1.888.762.6088**

**[www.mass.gov/gic](http://www.mass.gov/gic)**

# GIC Dental/Vision Plan

*For Managers, Legislators, Legislative Staff, and Certain Executive Office Staff*

## Eligibility for the GIC Dental and Vision Plans

The GIC Dental/Vision Program is for employees who are not covered by collective bargaining or do not have another Dental and/or Vision Plan. The plan primarily covers managers, Legislators, Legislative staff, and certain Executive Office staff. Employees of authorities, higher education, and the Judicial Trial Court system are not eligible for GIC Dental/Vision coverage.

## Dental Benefits

Delta Dental of Massachusetts is the provider for the dental portion of the GIC Dental/Vision plan. During annual enrollment, participants may change their dental plan selection:

- The PPO, also known as Delta Dental PPO, is a less expensive plan, with a limited network encompassing over 30% of the state's dentists who agree to accept negotiated fees for their services with no balance billing to members. The plan also offers reduced out-of-network benefits.
- The Indemnity Plan, also known as Delta Dental Premier, offers network access to more than 95% of the state's dentists who agree to no balance billing.

**If you are in the Indemnity Plan, the GIC recommends that you check to see whether your family's dentist(s) participates in the PPO. Switching to the PPO will save you premium costs (see page 7) and reduce your out-of-pocket expenses. Contact the plan for details on potential out-of-pocket savings.**



## Vision Benefits

The GIC has again contracted with Davis Vision to administer the vision portion of the GIC Dental/Vision Plan effective July 1, 2006. This plan provides a preferred provider network of over 900 Massachusetts providers, with additional preferred providers across the country. Members receive basic services at no cost and pay a co-pay for enhanced materials and services when they use a preferred provider. When members do not use a preferred provider, they are reimbursed according to a fixed schedule of benefits.

### ***Vision Questions?***

*Including co-payment amounts and providers*

**Contact Davis Vision**

**1.800.650.2466**

**[www.davisvision.com](http://www.davisvision.com)**  
(control code: 7852)



**Keep in mind that if you enroll in the PPO and your dentist leaves the plan during the year, you may not change plans until the next annual enrollment.**

### ***Dental Questions?***

*Including co-payment amounts and providers*

**Contact Delta Dental**

**1.800.553.6277**

**[www.deltamass.com](http://www.deltamass.com)**